

Spring, 1998

DEPARTMENT OF ENERGY

BUDGET RESULTS COUNCIL

CHARTER

PURPOSE

This document establishes a Budget Results Council (BRC) to address improvements in the budget formulation, execution and reporting processes of the Department and its Management and Operating (M&O) Contractors.

BACKGROUND

Over the past several years several studies have been done which have focused on the need to improve the budget processes of the Department. Most recently, the Institute for Defense Analysis completed a review of the organization and management of the nuclear weapons program which included findings that there was a weak link between requirements and budget direction and criticism of all phases of the budget process. In addition, in a recent benchmarking initiative conducted by the Department's M&O contractors, the budget function appeared to cost more than five times that of private industry. Clearly there are opportunities for improvement in this area.

In 1993 the Budget Stakeholder's Group was formed to provide a forum for discussion leading to recommendations for improvements in the DOE budget processes. While this group has effectively served as a catalyst for achieving changes in areas such as reprogrammings, uncosted balances and landlord activities, there is a perception that a smaller, more focused group may be better able to address some of the problems facing programs, contractors and field offices.

MISSION

Address and recommend improvements to the budget systems, processes, policies and procedures of the Department at the contractor, field office and Headquarters levels to achieve gains in budget efficiency and economy while supporting our customers' needs for timely accurate, reliable budget information.

MEMBERSHIP

Representation will include four Headquarters Program Office resource managers (one from each of the Department's business lines); four members drawn from a variety of major M&O and M&I contractor types, such as multi-program laboratories, program-dedicated operations, clean-up sites, and production, testing and fabrication facilities; two field office representatives (either CFO or Deputy CFO); and two representatives from the Headquarters Office of the CFO (normally the Deputy CFO and Head of the Office of Budget). The members will be selected by the HQ CFO from those expressing interest in serving and willing to commit the time needed to support the

Group's mission. No contractor site will be represented at any one time by more than one person, federal or contractor. Care will be taken to ensure that no business line is overly represented. The group will select Co-Chairpersons - one federal and one contractor - from among the 12 members. Chairpersons shall serve for overlapping 2 year terms. Contractor and Field CFO members will serve on a rotating basis of two years with half of the initial Group serving a three year term. The DOE CFO will provide a nonvoting Executive Director for the Group. The Headquarters CFO representatives are permanent Group members. Headquarters business line representatives may be permanent or rotating. If a member resigns before their term is complete, the CFO will recruit a new member so as to maintain balanced representation of the Department on the BRC. Members may not send substitutes to BRC meetings.

CO-CHAIRPERSON RESPONSIBILITIES

- ▶ Coordinate all meetings and activities.
- ▶ Establish task groups to plan and perform activities to accomplish the various tasks outlined by the Group.
- ▶ Assure a cross-section of participation in task groups to foster a high level of cooperation among headquarters, field and contractor personnel.
- ▶ Provide for a secretary at each meeting to maintain official minutes and correspondence.
- ▶ Annually document the prior year's plans and achievements.

COUNCIL RESPONSIBILITIES

- ▶ Identify and prioritize needed improvements to the Department's budget processes.
- ▶ Develop strategies and plans to achieve needed improvements. Develop and prioritize tasks within the work strategy with start and end dates.
- ▶ Conduct benchmarking activities to compare the Department's budget policies, practices and procedures against those used in other Federal agencies and in the private sector.
- ▶ Survey customers and stakeholders of the budget process to determine areas of needed improvement and discuss ideas for change.
- ▶ Present recommendations to the Department's CFO.
- ▶ Members serve as champions of working teams to develop recommendations for improvement. Members also volunteer to pilot suggested improvements and/or advocate adoption.

- ▶ Coordinate activities, as necessary, with the Financial Management Systems Improvement Council (FMSIC), particularly to eliminate duplication and ensure the perspective of the full financial cycle.

EXECUTIVE DIRECTOR RESPONSIBILITIES

The Executive Director is a nonvoting member who: is the principal liaison between the BRC and the Department, keeping the Department informed as to BRC decisions and accomplishments ; helps to ensure coordination with the FMSIC; and coordinates meetings and agendas for the group as the Chairperson deems necessary.

FMSIC CLEARING HOUSE

The FMSIC clearinghouse will provide the clearinghouse/communications infrastructure for the BRC.

WORKING TEAMS

Much of the work of the group will be accomplished by teams of a size small enough to work effectively yet varied enough to represent the disparate interests involved. One or more council members will champion each team, but team members may come from organizations not represented on the council. Non-council team members will be recruited by the champions and approved for selection by the Chair. Teams will report to the council, which will accept or modify their work product and forward it to the Chief Financial Officer for appropriate action.

PROCEDURES

Meetings will be held tri-annually, or more frequently as necessary, at times and locations to be determined by the Chairperson. A plenary session will be held in conjunction with these meetings at least once a year. Minutes of proceedings will be kept along with a listing and file of all reports, activities, and decision documents. The minutes of the meetings will be distributed as appropriate. Recommendations of the BRC will be coordinated with the Department's financial management community and presented to the Department's Chief Financial Officer for approval and coordination, as necessary, with external organizations, e.g., the Office of the Management and Budget and Congressional Appropriations Committee staff.

APPROVED:

Elizabeth E. Smedley, Acting Chief Financial Officer

Date